OCI No. 2549/63

CENTRAL INTELLIGENCE AGENCY Office of Current Intelligence 6 August 1963

CURRENT INTELLIGENCE MEMORANDUM

SUBJECT: Insurgency in South Vietnam and Laos

## 1. South Vietnam

a. Incidents and armed attacks initiated by the Viet Cong continued at a high level through the last week of July, marking the third consecutive week of increased activity and the longest sustained period of such operations this year. There were relatively few attacks by company-size or larger units, however, and there are no indications that any increase in Viet Cong capabilities or shift in tactics has occurred. Recently captured Viet Cong documents provide further evidence that Viet Cong food supplies in the central highlands have been affected by government operations. Some guerrilla units have reportedly been diverted from military activity to food production tasks.

b. The Buddhist problem is unresolved. It may be aggravated by the self-immolation of another monk, which occurred on 4 August, and by renewed criticisms of the Buddhists by members of President Diem's family. Conservative Buddhist leaders reportedly have said that they are under increasing pressure from extremist clergy to shift the dispute from religious to political grounds. These leaders feel that a quick settlement is necessary if they are to keep control of the movement.

## 2. Laos

Military activity continues at a low level.